

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.

FINANCIAL STATEMENTS

(unaudited)

June 30, 2020

GULFSTREAM NATURAL GAS SYSTEM, L.L.C. CONDENSED STATEMENTS OF EARNINGS

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
<i>(unaudited; millions of United States dollars)</i>				
Operating revenues	70.3	70.3	139.7	138.8
Operating expenses				
Operating, maintenance and other	4.7	9.0	9.0	14.0
Depreciation and amortization	8.7	8.9	17.4	17.7
Property and other taxes	3.3	3.2	6.4	6.3
Total operating expenses	16.7	21.1	32.8	38.0
Operating income	53.6	49.2	106.9	100.8
Other income	0.2	0.2	0.3	0.3
Interest expense	(15.4)	(15.5)	(31.0)	(31.1)
Earnings	38.4	33.9	76.2	70.0

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.
CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
<i>(unaudited; millions of United States dollars)</i>				
Earnings	38.4	33.9	76.2	70.0
Other comprehensive loss				
Reclassification to earnings of loss on cash flow hedges	(0.2)	(0.1)	(0.2)	(0.2)
Comprehensive income	38.2	33.8	76.0	69.8

GULFSTREAM NATURAL GAS SYSTEM, L.L.C. CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Spectra Energy Partners, LP	Williams Partners Operating, L.L.C.	Total
<i>(unaudited; millions of United States dollars)</i>			
Balance at December 31, 2019	216.1	216.1	432.2
Earnings	38.1	38.1	76.2
Reclassification of cash flow hedges into earnings	(0.1)	(0.1)	(0.2)
Distributions to members	(49.8)	(49.8)	(99.6)
Contributions from members	0.6	0.6	1.2
Balance at June 30, 2020	204.9	204.9	409.8

	Spectra Energy Partners, LP	Williams Partners Operating, L.L.C.	Total
<i>(unaudited; millions of United States dollars)</i>			
Balance at December 31, 2018	224.4	224.4	448.8
Earnings	35.0	35.0	70.0
Reclassification of cash flow hedges into earnings	(0.1)	(0.1)	(0.2)
Distributions to members	(44.7)	(44.7)	(89.4)
Attributed deferred tax expense	(0.1)	—	(0.1)
Balance at June 30, 2019	214.5	214.6	429.1

GULFSTREAM NATURAL GAS SYSTEM, L.L.C. CONDENSED STATEMENTS OF CASH FLOWS

	Six months ended June 30,	
	2020	2019
<i>(unaudited; millions of United States dollars)</i>		
Operating activities		
Earnings	76.2	70.0
Adjustments to reconcile earnings to net cash provided by operating activities:		
Depreciation and amortization	17.7	18.1
Changes in operating assets and liabilities	6.3	7.4
Net cash provided by operating activities	100.2	95.5
Investing activities		
Capital expenditures	(1.3)	(9.6)
Net cash used in investing activities	(1.3)	(9.6)
Financing activities		
Distributions to members	(99.6)	(89.4)
Contributions from members	1.2	—
Net cash used in financing activities	(98.4)	(89.4)
Net change in cash and cash equivalents	0.5	(3.5)
Cash and cash equivalents at beginning of period	8.4	4.0
Cash and cash equivalents at end of period	8.9	0.5

GULFSTREAM NATURAL GAS SYSTEM, L.L.C. CONDENSED STATEMENTS OF FINANCIAL POSITION

	June 30, 2020	December 31, 2019
<i>(unaudited; millions of United States dollars)</i>		
Assets		
Current assets		
Cash and cash equivalents	8.9	8.4
Accounts receivable	23.4	23.6
Inventory	8.1	8.4
Other	0.9	2.2
	41.3	42.6
Property, plant and equipment, net	1,525.2	1,541.2
Regulatory assets and deferred debits	10.4	10.4
Total assets	1,576.9	1,594.2
Liabilities and members' equity		
Current liabilities		
Accounts payable and other	2.3	1.6
Taxes accrued	6.5	1.7
Interest accrued	14.2	14.2
Regulatory liabilities	0.8	1.5
Other	0.1	0.1
	23.9	19.1
Long-term debt	1,143.2	1,142.9
	1,167.1	1,162.0
Members' equity	407.6	429.8
Accumulated other comprehensive income	2.2	2.4
Total liabilities and members' equity	1,576.9	1,594.2